



**The Commonwealth of Massachusetts**

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**DEPARTMENT OF  
TELECOMMUNICATIONS AND ENERGY**

December 1, 2005

D.T.E. 05-86

Investigation by the Department of Telecommunications and Energy on its own Motion into Standards for Arrearage Management Programs for Low-Income Customers, Pursuant to St. 2005, c. 140, § 17.

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ORDER OPENING INVESTIGATION INTO STANDARDS FOR ARREARAGE  
MANAGEMENT PROGRAMS FOR LOW-INCOME CUSTOMERS

## I. INTRODUCTION

St. 2005, c. 140, § 17 ("Chapter 140") directs the Department of Telecommunications and Energy ("Department") to initiate a generic proceeding to develop standards for arrearage management programs for low-income customers of jurisdictional electric and gas companies organized pursuant to G.L. c. 164. The investigation opened by this Order complies with Chapter 140.

## II. BACKGROUND

Chapter 140 requires each electric and gas company to file an arrearage management program with the Department by December 30, 2005. Each company's filing must describe a detailed plan to coordinate its arrearage management program with low-income weatherization and fuel assistance agencies and services. The Department must evaluate each company's filing for compliance with the standards established by the Act and order modifications, if appropriate, by February 28, 2006.

Chapter 140 also sets standards for arrearage management programs. An arrearage management program must include a plan whereby companies permit eligible low-income customers to establish affordable payment plans and provide credits toward a customer's accumulated arrearage when the customer complies with the terms of the program. As part of its arrearage management program, a company must offer a low-income customer a payment plan of not less than four months, including an initial down payment of 25 percent of the balance, if utility service has not yet been terminated. After the down payment, the remaining balance is to be divided into equal payments. A company may seek approval from the

Department for a repayment agreement of less than four months for good cause shown. A company requesting a repayment plan of less than four months must inform the customer of the request. Customers may seek and obtain a repayment plan greater than four months with the approval of the Department.

### III. PUBLIC PARTICIPATION

The Department will conduct a public hearing to accept comments on standards for arrearage management programs. The hearing will be at 10:00 a.m. on Friday, January 6, 2006 in the Department's offices at One South Station, 2<sup>nd</sup> Floor, Boston. We invite all interested persons to attend the public hearing. The Department also welcomes written comments by Tuesday, January 17, 2006. Comments should not exceed ten pages in length. One original and ten copies of all comments should be filed with Mary Cottrell, Secretary, Department of Telecommunications and Energy, One South Station - 2<sup>nd</sup> Floor, Boston, Massachusetts 02110. All written comments also should be submitted to the Department in electronic format.<sup>1</sup>

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<sup>1</sup> All written comments should also be submitted to the Department in electronic format using one of the following methods: (1) by e-mail attachment to [dte.efiling@state.ma.us](mailto:dte.efiling@state.ma.us) and [elizabeth.cellucci@state.ma.us](mailto:elizabeth.cellucci@state.ma.us), or (2) on a 3.5" disk. The text of the e-mail or the disk label must specify: (1) the docket number of the proceeding (D.T.E. 05-86), (2) name of the person or company submitting the filing, and (3) a brief descriptive title of the document. The electronic filing should also include the name, title and telephone number of a person to contact in the event of questions about the filing. Text responses should be created in either Corel WordPerfect, Microsoft Word, or as an Adobe-compatible PDF file. Data or spreadsheet responses should be compatible with Microsoft Excel. All comments submitted in electronic format will be posted on the Department's Web site: <http://www.mass.gov/dte/>.

IV. ORDER

Accordingly, the Department

VOTES: To open an investigation, in accordance with St. 2005, c.140, § 17, to develop standards for arrearage management programs for low-income customers; and it is

ORDERED: That within seven days of the date of this Order, the Secretary of the Department shall publish notice of this investigation in a statewide newspaper of daily circulation within the Commonwealth; and it is

FURTHER ORDERED: That the Secretary of the Department shall serve a copy of this Order by mail on all persons that have asked to be placed on a general notification list pursuant to 220 C.M.R. § 2.09.

By Order of the Department,

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/s/  
Paul G. Afonso, Chairman

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/s/  
James Connelly, Commissioner

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/s/  
W. Robert Keating, Commissioner

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/s/  
Judith F. Judson, Commissioner

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/s/  
Brian Paul Golden, Commissioner